clear segregation. Overall treatment results were similar to delayed treatment ones. CONCLUSION: No statistic differences were found between treatments in acute effectiveness, and hence cost minimization analysis was only considered. GR showed to be more cost-effective than ON in delayed and overall emesis treatment.

**PCN25**

**PHARMACOECONOMIC EVALUATION OF CAPECITABINE (XELODA) FOR GASTRIC CANCER IN THE UNITED KINGDOM**

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**OBJECTIVES:** The purpose of this study was to evaluate the cost-effectiveness of capecitabine (Xeloda®) for the treatment of advanced gastric cancer (aGC). This followed EMEA approval in March 2007 and was intended initially to inform an appraisal by the Scottish Medicines Consortium (SMC).

**METHODS:** Based on clinical effectiveness evidence demonstrating that oral capecitabine is at least as good as IV 5-FU, a cost-minimisation analysis was performed. The replacement of continuous infusion IV 5-FU within a standard chemotherapy regimen including cisplatin and epirubicin (ECF) by oral capecitabine (ECX) was assessed. This analysis investigated the comparative drug acquisition costs of ECX versus ECF regimens, plus the incremental drug administration costs associated with providing continuous infusion IV 5-FU. The administration costs included hospital visits, transport, staff time and disposables. This health care resource utilisation (HCRU) was associated with insertion and management of central venous access lines, drug preparation, and use of infusional drug pumps. HCRU and unit costing evidence sources included clinical trials, published literature and an expert panel of specialists (oncology doctors, nurses and pharmacists) with experience of aGC management. Extensive sensitivity analysis assessed areas of potential uncertainty. The primary perspective was from the NHS, but a societal analysis was also undertaken.

**RESULTS:** Additional drug acquisition costs of £634 per patient course for capecitabine are offset by drug administration savings of £1773. The net cost saving is £1139 per patient. Sensitivity analysis demonstrates that capecitabine remains cost saving across a range of uncertain parameters and under a number of realistic scenarios. Also, oral dosing confers significant benefits to patients in terms of personal time and cost savings.

**CONCLUSION:** Capecitabine is cost saving in aGC and clearly offers good value-for-money for both the NHS and patients. Oral administration of chemotherapy in this therapy area may also help address capacity limitations within the cancer service.

**PCN26**

**INNOVATION OVER THE PRODUCT LIFE CYCLE: ESTIMATING THE POTENTIAL ECONOMIC VALUE OF TRASTUZUMAB IN BREAST CANCER IN FIVE EUROPEAN COUNTRIES BETWEEN 2000 AND 2020**

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**OBJECTIVES:** Trastuzumab (T) was recently approved to treat women with HER2+ early breast cancer (eBC) following earlier approval for metastatic breast cancer (mBC). The objective is to estimate the potential aggregate economic value and the incremental cost-utility ratio (ICUR) over T’s life cycle in five major European countries from 2000 to 2020.

**METHODS:** The projected life cycle ICUR was estimated by combining the ICURs of T in eBC and mBC in a dynamic life cycle (DLM) model. The model also projects the economic value to society, defined as monetized cumulative net quality-adjusted life years (QALYs) gained minus net life-cycle treatment costs. Using indication-specific ICURs (€43,000 per QALY in mBC and €15,000 per QALY in eBC) and epidemiological projections of disease incidence in Germany, France, UK, Italy, and Spain, the projected life cycle ICUR and cumulative economic value were estimated, discounted at 3.5%. **RESULTS:** We project a relative increase in the number of women with HER2+ eBC vs. HER2+ mBC—a ratio of 3.4 in 2020 up from 2.1 in 2000. Over this period, the projected overall mean ICUR was €18,000 per QALY with a total of 800,000 discounted QALYs gained. Scenario analysis was performed for alternative use rates and ICURs. When benchmarked against potentially acceptable values per QALY of €50,000 or €100,000, the total projected economic value of T treatment would range from €30 to €70 billion, respectively. **CONCLUSION:** Application of a DLM estimation approach to the case of trastuzumab demonstrates that: 1) the economic value of a product can change due to life-cycle innovation, and 2) typical static, indication-specific cost-effectiveness models do not account for the interdependence of drug development and adoption decisions over the life cycle. This raises important policy questions about the appropriate perspective—static vs. dynamic—and reimbursement for an innovative product whose economic value changes over time.

**PCN27**

**COST-EFFECTIVENESS OF HUMAN INTERFERON-ALPHA AS ADJUVANT TREATMENT FOR PATIENTS WITH RESECTED CUTANEOUS MALIGNANT MELANOMA IN STAGE II B & III**

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**OBJECTIVES:** The objective of this economic evaluation was to estimate the cost-effectiveness of HuIFN-α as adjuvant treatment for patients with resected cutaneous malignant melanoma in stage IIb-III in a Swedish setting.

**METHODS:** The economic evaluation is based on a prospective multicentre study, in which 252 patients with totally resected cutaneous melanoma in stage IIb-III were randomised to induction treatment with dacarbazine (DTIC) followed by six months adjuvant treatment with low-dose natural human interferon alpha (HuIFN-α) versus no adjuvant treatment. A Markov model was developed to assess the costs and clinical outcomes of DTIC/HuIFN-α compared with no adjuvant treatment. Time-to-progression and overall survival were based on data from the clinical study. The model compares two groups of patients, 54 years old at base-line, and adopts a life-long horizon. The primary clinical outcome measure is quality-adjusted life years (QALYs) gained. Direct medical costs were included in the analysis. An additional analysis was performed that included costs of added years of life for the Swedish population. Cost and outcome data were discounted with a 3.0% annual rate. Sensitivity analyses were performed to test the stability of the base case results.

**RESULTS:** The economic evaluation showed that adjuvant treatment with HuIFN-α for stage Ib-II melanoma patients resulted in €8200 higher costs compared to no adjuvant treatment. Including costs of added years of life increased the cost per QALY to €3300 compared to no adjuvant treatment. The model predicts that adjuvant treatment with HuIFN-α is cost-effective for patients with resected cutaneous malignant melanoma in stage IIb-III.